




COMMISSIONER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

February 15, 2000

MEMORANDUM FOR TREASURY INSPECTOR GENERAL FOR
TAX ADMINISTRATION

FROM: Charles O. Rossotti 
Commissioner of Internal Revenue

SUBJECT: Treasury Inspector General for Tax Administration (TIGTA) Draft
Audit Report – Walk-In Initiatives for the 1999 Filing Season
Improved Customer Service to Taxpayers (Reference No.
19990020)

This memorandum presents our response to the recommendation contained in the above-referenced report. Thank you for recognizing the actions we have taken to improve customer service at our Walk-In sites.

The Assistant Commissioner (Customer Service) issued the Fiscal Year (FY) 1999 Walk-In Program Letter which focused our efforts on delivering accurate, consistent, expeditious, and professional service to those taxpayers who seek face-to-face assistance. The Letter of Understanding signed by the Assistant Commissioners (Collection), (Customer Service), and (Examination), in partnership with the National Treasury Employees Union, outlined the Internal Revenue Service's (IRS) commitment to increasing the quality of and access to Walk-In service.

The Assistant Commissioner (Customer Service) required each Walk-In site to implement several key initiatives including: standardizing distribution of tax forms and publications, providing tax return preparation, ensuring proper training for Walk-In employees, and encouraging the use of shopping malls and community centers as alternative sites to assist taxpayers. In addition, we expanded our Saturday service from 6 to 13 Saturdays. The first six Saturdays of the 1999 filing season were designated as Earned Income Tax Credit (EITC) Awareness Days. These actions improved our customer service to the 7.4 million taxpayers who visited our Walk-In sites during the 1999 filing season. In fact, among users surveyed, Walk-In customers were the most satisfied IRS customers among the four Customer Service programs. The FY 2000 Program Letter expanded the hours and days that many Walk-In offices are open and standardized services that are offered.

IDENTITY OF RECOMMENDATION/FINDING

The Assistant Commissioner (Customer Service) should develop a national process to monitor the implementation and delivery of current and future key initiatives.

ASSESSMENT OF CAUSE

Customer Service developed and implemented a system of peer reviews in 1998 to ensure that Walk-In offices followed the key initiatives in the yearly program letter. During these reviews, offices were evaluated on compliance with the initiatives and strategies of the program letter. Due to the development and implementation of Balanced Measures in 1999, all review processes were suspended until the agency developed new review processes that would reflect balanced measures.

CORRECTIVE ACTIONS

Customer Service issued its FY 2000 Operating Guidelines to help managers understand the goals/initiatives to be achieved during the fiscal year. It covers all Customer Service functions, including Walk-In and Taxpayer Education. The Objectives for Walk-In, as listed in the FY 2000 Operating Guidelines, include providing standardized services at all Walk-In locations, Saturday service, standard hours of operation, and installation of the Q-MATIC system. (Q-MATIC is an automated system that tracks wait time and the type of service provided to each Walk-In customer.) Detailed guidelines were provided for each objective. To ensure that all actions are taken by appropriate staff, the IRS uses an Operations Plan that tracks the objective, the responsible official, expected completion date of the action and any possible deviation and impact on the rest of the program. The Operations Plan is a mechanism for analysis and review in the Balanced Measures System and is used in the IRS Management Model to both review and revise the current business plan.

Customer Service issued the FY 2000 Walk-In Program Letter in October 1999. This program letter provides additional guidance to all field personnel on the year's key initiatives and strategies. Each initiative for FY 2000 is detailed to provide consistency nationwide and explain what steps must be taken to ensure full implementation.

To ensure that all systems are ready for the high volume of requests for assistance and the large number of tax returns that need to be processed, the IRS conducts a Filing Season Readiness Review prior to the beginning of each filing season. One of the co-chairs of this review is the National Director, Education, Walk-In and Correspondence Improvement. The Filing Season Readiness Review ensures that any concerns or problems are raised and resolved as quickly as possible.

The four regions conduct Filing Season Readiness Reviews for all Walk-In offices. The regions, with National Office guidance, have developed checksheets that are used to evaluate each office's ability to provide the services and taxpayer assistance required by the program letter.

A Suite of Balanced Measures for Walk-In service was developed and accepted by the Organizational Performance Management Executive (C:DO:OPME) for implementation in December 1999. As part of this suite, the Assistant Commissioner (Customer Service) has implemented a quality review process for the Walk-In offices using a data collection instrument (DCI). The DCI was designed to measure professionalism, tax law accuracy, and return preparation at Walk-In sites. We will use this data to assess the quality of program delivery in the Walk-In offices. An initial sample has been collected and data is being analyzed. The second collection of data will begin in March to cover activities during the filing season. We worked with the Statistics of Income to determine the appropriate sample size and locations for our visits. The Customer Service Quality Section and Customer Service Walk-In Section will continue to refine the DCI, as necessary. It will parallel as closely as possible the current quality measurements of other Customer Service programs/product lines.

IMPLEMENTATION DATE
COMPLETED

PROPOSED June 30, 2000

RESPONSIBLE OFFICIAL
National Director, Education, Walk-In and Correspondence Improvement

CORRECTIVE ACTION MONITORING PLAN

Customer Service will participate in all review processes as they become available in the modernization of the agency. In the interim, we will follow the results of the Quality Review visitations and provide the results to the regions and districts.